

FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
City Light	Lynn Best / 386-4586	Calvin Chow / 684-4652

Legislation Title:

AN ORDINANCE relating to the City Light Department (“City Light”), declaring certain real property rights surplus and no longer required for providing public utility service or other municipal purpose; authorizing the Superintendent of Seattle City Light to execute a Real Property Exchange Agreement between the City of Seattle and Sierra Pacific Industries, Inc. (SPI) for the conveyance of said surplus property and a cash equalization payment of Two Hundred Eight Thousand Dollars (\$208,000), in exchange for the conveyance of SPI-owned land to the City in the South Fork of the Nooksack River watershed, Skagit County, Washington for wildlife habitat purposes; authorizing the Superintendent of City Light or his designee to execute Bargain and Sale Deeds for the properties conveyed by the City and accept a Bargain and Sale Deed for the lands conveyed to the City; and placing said lands under the jurisdiction of the City Light Department.

Summary and background of the Legislation:

The ordinance would authorize the Superintendent of City Light or his designee to execute a Real Property Exchange Agreement on behalf of The City of Seattle that will exchange 131.6 acres of City-owned land and \$208,000 in exchange for 349.9 acres of SPI-owned land in the South Fork Nooksack River watershed for fair market value. The ordinance would authorize acceptance of a Bargain and Sale Deed executed by SPI, as Grantor, conveying Skagit County Parcel P51326 of 349.9 acres, located in Skagit County, to the City for wildlife habitat protection purposes. The Ordinance would also authorize the execution of Bargain Sale Deeds that dispose of portions of City-owned Skagit County Parcels P51263, P51264, P51269, P51271, & P51295.

Background: In connection with the relicensing of the Skagit River Hydroelectric Project by the Federal Energy Regulatory Commission and pursuant to Resolution 28349, City Light entered into the Settlement Agreement Concerning Wildlife, incorporating by reference the Wildlife Habitat Protection and Management Plan, (collectively, "Wildlife Agreement"), dated April 1991, with several Federal, State, Tribal, and private non-profit parties. Ordinance 118226 authorizes the Superintendent of City Light to negotiate for and purchase parcels of land pursuant to the principles and procedures of the Wildlife Agreement.

This land exchange will transfer, to timber companies, a small percentage of City-owned Wildlife Mitigation land that was purchased in 1991-1992. The SCL land to be disposed has a forest road that is regularly used by neighboring private timber companies for hauling harvested timber from their lands. In exchange, the City will receive lands currently owned by SPI that are not encumbered by timber hauling roads. Without this exchange, the City will be obligated to make significant expenditures (estimated to be up to \$400,000) for road repairs and maintenance to meet State of Washington Road Abandonment and Management Plan (RMAP) regulations and will further be exposed to future maintenance costs. The City-owned land to be disposed has an appraised Fair Market Value of \$281,000, while the land to be acquired by SCL has an appraised Fair Market Value of \$489,000. The City will pay SPI \$208,000 from its Skagit Mitigation funds to equalize the values. The acquired parcel will be managed by City Light as part of the Skagit Wildlife Mitigation Lands Program. A map of the properties to be exchanged is attached as Attachment A.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:
Skagit Hydro Project Mitigation	6991	Skagit and Nooksack watersheds	1991	n/a

Please check any of the following that apply:

This legislation creates, funds, or anticipates a new CIP Project.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

This legislation requires no new appropriations (see Appropriations Notes).

Fund Name and Number	Department	Budget Control Level*	Existing 2013 Appropriation	New 2013 Appropriation (if any)	2014 Anticipated Appropriation
TOTAL					

*See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:

The \$208,000 needed for the exchange is available in SCL Project 6991 (Skagit Mitigation).

Spending Plan and Future Appropriations for Capital Projects:

No additional appropriations are required (see Notes below).

Spending Plan and Budget	2013	2014	2015	2016	2017	2018	Total
Spending Plan							
Current Year Appropriation							
Future Appropriations							

Spending Plan and Budget Notes:

The property will be maintained as wildlife habitat. Sufficient funds for the management (one or two property visits and inspections annually by a City Light Environmental Affairs Division staff member) of the acquired property is available in the existing CIP budget for Skagit River Hydroelectric Project Mitigation (6991), approximately \$200 per year.

Funding Source:

The existing CIP, -6991, will be used for the exchange and for future monitoring of the acquired property.

Funding Source (Fund Name and Number, if applicable)	2013	2014	2015	2016	2017	2018	Total
Skagit CIP -- 6991	200	200	200	200	200	200	1,000
TOTAL	200	200	200	200	200	200	1,000

Funding Source Notes:

Bond Financing Required:

Not applicable.

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
TOTAL					

Bond Notes:

Uses and Sources for Operation and Maintenance Costs for the Project:

Not applicable (see notes).

O&M	2013	2014	2015	2016	2017	2018	Total
Uses							
Start Up							
On-going							
Sources (itemize)							

Operation and Maintenance Notes:

The only operational and maintenance costs anticipated are for periodic monitoring visits by SCL Environmental Affairs and Real Estate Services Division staff.

Periodic Major Maintenance Costs for the Project:

No major maintenance costs are anticipated but if one were to arise, existing Skagit Mitigation budget would be utilized.

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL			

Funding sources for replacement of project:

n/a

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:
 No positions are affected by this legislation.

Position Title and Department*	Position # for Existing Positions	Fund Name & #	PT/FT	2013 Positions	2013 FTE	2014 Positions **	2014 FTE **
TOTAL							

* List each position separately

** 2014 positions and FTE are total 2014 position changes resulting from this legislation, not incremental changes. Therefore, under 2014, please be sure to include any continuing positions from 2013.

Position Notes:

Existing position in SCL is responsible for managing the Skagit Wildlife Mitigation Lands.

Do positions sunset in the future?

n/a

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

b) What is the financial cost of not implementing the legislation?

If the legislation were not implemented, SCL would be required to complete extensive upgrades and repairs to the hauling road on SCL land to comply with Washington Department of Natural Resources Road Management and Abandonment Plan (RMAP). This is estimated at \$400,000. SCL would also still be responsible for possible maintenance in the future.

c) Does this legislation affect any departments besides the originating department?

No

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

No other alternatives exist at this time.

e) Is a public hearing required for this legislation?

Yes.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

g) Does this legislation affect a piece of property?

Yes, see attached map for lands to be exchanged.

h) Other Issues:

The acquired property will be part of the Skagit Wildlife Mitigation Lands created pursuant to the Skagit River Wildlife Settlement Agreement for fish and wildlife habitat protection. SCL may seek external grants and partners for additional funding to restore habitat on the property.

List attachments to the fiscal note below:

Attachment A: Map of Properties included in South Fork Nooksack Land Exchange.

